



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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April 7, 1997

CERTIFIED RETURN RECEIPT
P 074 976 574

Roger Smith
Energy Fuels Nuclear, Inc.
HC 64 Box 152
2555 North Highway 89
Fredonia, Arizona 86022

Re: Formal Release of Large Mining Operations, Far West Mine, M/037/019, San Juan County, Utah

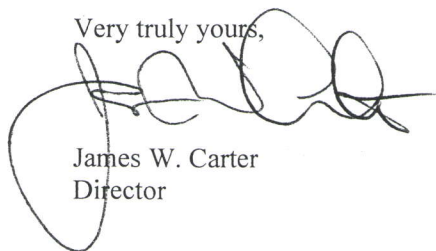
Dear Mr. Smith:

Division files indicate that reclamation of the Far West Mine site was completed in 1992. In 1995 the Division released a majority of the reclamation surety in recognition of the completed earthwork. The surety amount was reduced from \$35,300 to \$2,300. The reduced amount was retained by the Division in the event of revegetation failure. Division staff last inspected the Far West Mine site on November 2, 1995. As a result of that inspection the Division determined the reclamation surety could be fully released upon concurrence of the Bureau of Land Management ("BLM") (copy of inspection memo enclosed). On April 3, 1997, the Division received a letter from the BLM recommending full release of the reclamation surety (copy enclosed).

The Division hereby releases the enclosed surety bond issued by North River Insurance Company for \$35,300 with accompanying rider which reduced the amount to \$2,300; the original Reclamation Contract is also enclosed for your disposal. The release of this surety also releases Energy Fuels from additional reclamation responsibility at the Far West Mine. We will now close and retire Division file M/037/019 for this large mine operation.

If you have any questions or concerns regarding this action, please notify me, Wayne Hedberg or Tony Gallegos of the Minerals Reclamation staff at your earliest convenience. Thank you for your cooperation in complying with the Utah Mined Land Reclamation Act. Best of luck in your future mining ventures.

Very truly yours,



James W. Carter
Director

jb

Enclosures - 11/2/95 Inspection Memo, BLM Letter, Surety Bond w/ rider, Reclamation Contract

cc: Brad Palmer, BLM, Grand RA

Mary Ann Wright, DOGM

M037019.ret